

Message Text

LIMITED OFFICIAL USE

PAGE 01 NOUAKC 00608 090834Z
ACTION AF-10

INFO OCT-01 ISO-00 SSO-00 EB-08 COME-00 XMB-02 SS-15
NSC-05 SP-02 CIAE-00 INR-10 NSAE-00 INRE-00
AGRE-00 /053 W
-----028588 090853Z /14
O 071300Z MAR 78
FM AMEMBASSY NOUAKCHOTT
TO SECSTATE WASHDC IMMEDIATE 9111

LIMITED OFFICIAL USE NOUAKCHOTT 608

DEPT FOR AF/W

E.O. 11652: N/A
TAGS: BENC, MR
SUBJECT: LANG-PRITCHARD SUGAR REFINERY PROJECT

REF: KRYZA-KILLION MARCH 6 TELECON

1. I MET WITH MINISTER OF INDUSTRY, FISHERIES AND MERCHANT MARINE, ABDALLAHI OULD ISMAEL. HE HAD ASKED FOR THE MEETING TO DISCUSS LATEST DEVELOPMENT OF THE LANG-PRITCHARD SUGAR REFINERY PROJECT. ACCORDING TO HIM, LANG HAS QUOTE ABANDONED UNQUOTE THE PROJECT AND WITHOUT NOTIFYING EITHER SOSUMA (THE STATE-OWNED COMPANY CREATED TO RUN THE REFINERY) OR ANYONE IN THE MAURITANIAN GOVERNMENT (GIRM) HAS WITHDRAWN ITS EXPATRIATE STAFF, LEAVING A PART-TIME MAURITANIAN CITIZEN EMPLOYEE IN CHARGE. WE UNDERSTAND THAT SOSUMA HAS ALSO LAID OFF ITS EXPATRIATE LOCALLY ENGAGED STAFF. THE ELECTRICITY HAS BEEN TURNED OFF BY THE UTILITY COMPANY BECAUSE CURRENT BILLS HAVE NOT BEEN PAID. TO OUR KNOWLEDGE THERE ARE NEITHER CARETAKERS NOR WATCHMEN.

2. THE MINISTER MADE TWO BASIC POINTS: HE STATED THAT HE WISHED TO ADVISE ME OFFICIALLY AND THROUGH ME THE GOVERNMENT OF THE US THAT THE GIRM IS INITIATING DISCUSSIONS WITH THE EXPORT-IMPORT
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 NOUAKC 00608 090834Z

BANK TO RENEGOTIATE ITS LOAN ON THE GROUNDS THAT THE CONDITIONS UPON WHICH THE LOAN WAS GRANTED (I.E. THE PLANT WOULD BE IN PRODUCTION AND EARNING MONEY AT THIS TIME) HAVE NOT YET COME INTO BEING. HIS SECOND POINT WAS TO INFORM ME AND THE USG OF THE WITHDRAWAL OF THE LANGA-PRITCHARD TEAM FROM MAURITANIA AND TO REQUEST THE USG'S ASSISTANCE ON A GOVERNMENT TO GOVERNMENT BASIS TO BRING THE PROJECT TO COMPLETION SO THAT THE PLANT COULD BE

TURNED OVER TO SOSUMA PURSUANT TO THE TERMS OF THE CONTRACT. HE STATED THAT HE WAS MINDFUL OF THE FACT THAT LANG-PRITCHARD WAS A PRIVATELY OWNED COMPANY BUT HE FELT THAT THE PROBLEM HAD NOW BECOME POLITICAL. HE STATED THAT THE GIRM HAD ENTERED INTO THE AGREEMENT WITH LANG IN GOOD FAITH FOR A PROJECT THAT HAD THE BLESSINGS OF AND WAS FINANCED BY THE EXPORT-IMPORT BANK WHICH IS AN INSTRUMENT OF THE USG. THUS LANG-PRITCHARD'S FAILURE TO PUT THE PLANT INTO OPERATION CREATED A SERIOUS ECONOMIC PROBLEM FOR MAURITANIA AND AN EQUALLY SERIOUS PUBLIC IMAGE PROBLEM FOR BOTH THE GIRM AND THE USG. WE ENDED BY STATING THAT PARALLEL REPRESENTATIONS WOULD BE MADE TO THE DEPARTMENT BY AMBASSADOR KOCHMAN IN WASHINGTON.

3. DCM SPOKE WITH THE LANG-PRITCHARD MAURITANIAN EMPLOYEE, WHO INCIDENTALLY HAS BEEN WORKING FOR THE EMBASSY ON A PART-TIME BASIS. HE PRODUCED TEXLEX FROM LANG DIRECTING ALL EXPATRIATE EMPLOYEES TO LEAVE THE COUNTRY ON R AND R AND DIRECTING HIM TO CLOSE DOWN ALL OPERATIONS. LANG TELEX MESSAGES STATED THAT THE REASON FOR THIS ACTION WAS THAT A LOCAL COURT INJUNCTION BASED ON A CONTRACT DISPUTE BETWEEN LANG PRITCHARD AND A LOCAL TRANSPORTER ACTING AS AGENT FOR THE AMERICAN FIRM OF KUEHNE AND NAGEL OF NEW YORK HAD FROZEN ALL OF LANG'S BANK ACCOUNTS AND THUS PARALYZED ITS OPERATIONS.

4. REQUEST DEPARTMENT TELEPHONE LANGPRESIDENT OLIPHANT IN KANSAS CITY TO OBTAIN HIS SIDE OF THE STORY. TELL HIM THAT LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 NOUAKC 00608 090834Z

WE UNDERSTAND THAT LANG ATTORNEY CHARLES ADAMS IS SCHEDULED TO BE IN NOUAKCHOTT THIS WEEK. WE WOULD BE INTERESTED IN KNOWING WHAT HIS INSTRUCTIONS ARE AND WANT TO MAKE CERTAIN THAT HE CONTACTS THE EMBASSY BEFORE CALLING UPON ANY OFFICIALS OF THE GIRM.

5. LAST CONTACT WE HAD WITH LANG WAS WITH THEIR REPRESENTATIVE DR. MAURRULLIER APPROXIMATELY THREE WEEKS AGO. AT THAT TIME HE STATED THAT LANG AND THE GIRM APPEARED TO HAVE RESOLVED THE FINAL PROBLEM WHICH RELATED TO RELEASE OF THE RETENTION FUNDS K ORDER TO ENABLE LANG TO COMPLETE THE FINAL PHASE. HE DID, HOWEVER, ALERT US TO THE COURT INJUNCTION AND EXPRESSED HIS OWN DOUBTS ABOUT SOSUMA'S ABILITY TO TAKE OVER THE PLANT AND HIS CONCERN ABOUT THE DELAYS ENCOUNTERED IN OBTAINING CUSTOMS CLEARANCE FOR THE ITALIAN EQUIPMENT WHICH APPARENTLY HAS BEEN AT NOUAKCHOTT AIRPORT FOR SEVERAL WEEKS AND WITHOUT WHICH NOTHING FURTHER CAN BE DONE.

KRYZA

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 07 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978NOUAKC00608
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780105-1233
Format: TEL
From: NOUAKCHOTT
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780398/aaaadevh.tel
Line Count: 113
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 0dc832cc-c288-dd11-92da-001cc4696bcc
Office: ACTION AF
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 26 apr 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3417700
Secure: OPEN
Status: NATIVE
Subject: LANG-PRITCHARD SUGAR REFINERY PROJECT
TAGS: BENC, MR
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/0dc832cc-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014